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## Thomas Murray Digital Views

### China's Clampdown on Digital Assets Could Encourage Institutional Adoption

A joint announcement from the People's Bank of China and nine other government departments, released 24 September, declared all cryptocurrency related business to be "illegal financial activities" which are strictly prohibited. On the same day, the National Development and Reform Commission circulated a notice announcing a crackdown on cryptocurrency mining, reportedly aimed at helping the country to control its carbon footprint and meet its schedule for carbon neutrality. These developments have implications that traverse the global digital asset marketplace.

## Weekly Summary



SIX Swiss Exchange and its digital division SDX have issued [the first digital bond in a regulated market](#), in interchangeable traditional and digital parts that trade on the two respective markets. This marks a milestone for both the digital asset landscape as a whole and Switzerland as a blockchain pioneer.



[India could ban private cryptocurrencies and launch its own CBDC](#), according to a bulletin on the Indian Parliament website, suggesting that it is taking cues from China. While India's ultimate decision remains speculation at present, this is further evidence of the indecisiveness of the Indian government on regulating digital assets, as this is not the first time that the country has changed its stance on the digital ecosystem.



According to the digital asset team at broker TP ICAP, [crypto exchanges' multiple roles raise conflict of interest concerns](#). Most large cryptocurrency exchanges offer a lot more than just the buying and selling of digital assets: they also offer services such as custody, staking, lending and borrowing. This effectively makes them *de facto* brokers or even banks, operating as such without appropriate licences.



The Japanese private sector is moving ahead with establishing its own cryptocurrency that will be designed to cover complementary use cases to those earmarked for a potential Central Bank Digital Currency. A [consortium of Japanese firms will test a digital currency in coming months](#), with the coin to be backed by deposits and operated on a shared platform for transfers and settlements.

## Digital Asset Developments



[Citigroup Appoints New Head of Digital Assets for Institutional Clients as it Eyes up to 100 New Hires](#) (The Block)



[Nearly One-Third of Hedge Fund Managers Plan to Invest in Crypto: Ernst & Young](#) (Decrypt)



[ECB Extends Oversight of Electronic Payments to Digital Wallets and Crypto-assets](#) (Finextra)



[MAS threatens action over DBS outage](#) (Finextra)



[OCC Clarifies Bank Authority to Engage in Certain Cryptocurrency Activities and Authority of OCC to Charter National Trust Banks](#) (ots.treas.gov)



[Circle Pushes Financial Inclusion as Regulators Scrutinise Stablecoin](#) (Financial Times)



[IMF Warns El Salvador of Bitcoin-Related Risks in Article IV Mission Concluding Statement](#) (imf.org)



[\\$66 Billion Australian Pension Fund to Invest in Cryptocurrencies](#) (u.today)



[Bank of Jamaica Closer to Rollout of Digital Currency](#) (Jamaica Information Service)

Key:

Regulation

Technology

Ecosystem

Markets